

NATCHITOCHES HISTORIC DISTRICT  
DEVELOPMENT COMMISSION  
NATCHITOCHES, LOUISIANA

AGREED-UPON PROCEDURES REPORT

JUNE 30, 2012



Downtown Natchitoches

**MARY SUE STAGES, CPA**  
**A PROFESSIONAL ACCOUNTING CORPORATION**

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*Louisiana Society of Certified Public Accountants*  
*American Institute of Certified Public Accountants*  
*Association of Governmental Accountants*  
*Governmental Audit Quality Control Center*

**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**

Commission Members of the  
Natchitoches Historic District Development Commission  
c/o Johnson, Thomas & Cunningham, CPAs  
321 Bienville Street  
Natchitoches, Louisiana 71457

We have performed the procedures enumerated below as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked "not applicable".

Management of the Natchitoches Historic District Development Commission, a component unit of the State of Louisiana, is responsible for its financial records, establishing internal controls over financial reporting and compliance with applicable laws and regulations. These procedures were agreed to by management of the Natchitoches Historic District Development Commission and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Natchitoches Historic District Development Commission's compliance with certain laws and regulations during the year ended June 30, 2012.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**General**

1. Determine if there are adequate written policies and procedures for the primary financial and business functions of the entity.

*No exceptions noted.*

2. Perform analytical procedures comparing current and prior year financial statements by line item. Identify and obtain explanations for variances of 10% or greater for line items and/or 10% or more of the respective assets, liabilities, equity, revenues and expenses.

*No exceptions noted.*

### **Cash**

1. Prepare a proof of cash for the period covered by the financial statements.

*This was accomplished for each bank account maintained by the Board.*

2. Determine if cash collection responsibilities are adequately segregated to ensure that the person responsible for cash collections is not responsible for posting accounts receivable or making deposits.

*No exceptions noted.*

3. Determine if bank reconciliations have been prepared for all months in the period covered by the financial statements. Determine if there is evidence of management review of the bank reconciliations. Determine if the reconciled balance for the final month of the fiscal or calendar year agrees to the general ledger.

*No exceptions noted.*

### **Credit Cards**

1. Obtain from management a listing of all active credit/debit cards for the period under examination, including the card numbers and the names of the persons who maintained possession of the card.

*Not applicable.*

2. Obtain the monthly statements for all credit/debit cards used during the period under examination and select for detailed review the largest (dollar amount) statement for the two cards with the most activity:

a. obtain the entity's supporting documentation for the largest purchase/charge shown on each selected monthly statement:

1. determine if each purchase is supported by:
  - i. an original itemized receipt;
  - ii. documentation of the business/public purpose;
  - iii. other documentation as may be required by policy; and

2. determine if selected purchases effectively circumvented the entity's normal procurement/purchasing process and/or the Louisiana Public Bid Law.

b. determine if there is evidence of management review of the two selected statements.

*Not applicable.*

## **Travel and Expense Reimbursement**

1. Obtain a listing of all travel and related expense reimbursements during the period under examination and trace to the general ledger for completeness. Select for review the three persons who were reimbursed the most money:

a. obtain all of the expense reimbursement reports of each selected person, including the supporting documentation and choose the largest expense report from each person to review in detail:

1. determine if each expenditure is:
  - i. reimbursed in accordance with written policy and applicable laws;
  - ii. for an appropriate and necessary business purpose relative to the travel; and
2. determine if each expenditure is supported by:
  - i. an original itemized receipt;
  - ii. documentation of the business/public purpose;
  - iii. other documentation as may be required by policy; and

3. determine if each expense report was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*Not applicable.*

## **Contracts**

1. Review accounting records for the period under examination to identify individuals/businesses being paid for contracted services. Select five "vendors" that were paid the most money during the period and determine if there is a formal/written contract that supports these services arrangement.

*Appropriate review and information was obtained.*

2. Obtain a listing of all active contracts and the expenditures made during the period under examination and trace to the general ledger for completeness. Select for detailed review, the largest (dollar amount) contract in each of the following categories that was entered into during the period - (1) services; (2) materials and supplies; and (3) public works.

a. obtain the selected contract and the related paid invoices and:

1. determine if the contract is a related party transaction by obtaining management's representation; and

2. determine if the transaction is subject to the Louisiana Public Bid Law or Procurement Code:

- i. if yes, determine if the entity complied with all requirements; and
- ii. if no, determine if the entity provided an open and competitive atmosphere for the transaction/work; and

3. determine if the contract was amended:

- i. if so, determine whether the original contract contemplated or provided for such an amendment; and
  - ii. determine if the amendment is outside of the scope of the original contract:
    - a. if so, whether it should have been separately bid and contracted; and
4. select the largest payment from each of the three largest contracts selected above and determine if the invoice(s) received and payment complied with the terms and conditions of the contract; and
5. determine if there is documentation of board approval, if required.

*No exceptions noted.*

### **Payroll and Personnel**

1. Obtain a listing of employment contracts/salaries in force during the period under examination and trace to the general ledger for completeness. Select the five highest paid employees and:
  - a. determine if payments issued during the period under examination were done in strict accordance with the terms and conditions of the contract or pay rate structure; and
  - b. determine if changes made to hourly pay rates/salaries during the period under examination were approved in writing and in accordance with policy.

*Not applicable*

2. Select the attendance and leave records for one pay period in which leave has been taken by at least one employee and:
  - a. determine if all employees are documenting their daily attendance and leave; and
  - b. determine if supervisors are approving, in writing, the attendance and leave of all employees; and
  - c. determine if the entity is maintaining accurate written leave records on all eligible employees.

*Not applicable*

3. Select the two largest termination payments made during the period under examination. Determine if the payments were supported by adequate documentation made in strict accordance with policy and/or contract and properly approved.

*Not applicable*

### **Budget**

1. Obtain a copy of the legally adopted budget and all amendments.

*Copies were obtained.*

2. Trace the budget adoption and amendments to the minute book.

*The adoption and subsequent amendment was traced to the minute book.*

3. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

*No exceptions noted.*

#### **Debt**

1. If debt was issued during the financial statement period, verify that State Bond Commission approval was obtained, as applicable.

*Not applicable.*

2. Determine compliance with applicable debt covenants.

*Not applicable.*

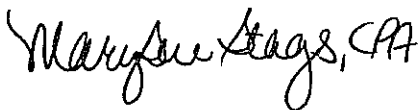
#### **Corrective Action**

1. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

*Not applicable.*

We were not engaged to perform, and did not perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Natchitoches Historic District Development Commission and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:515, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA  
A Professional Accounting Corporation  
August 4, 2012

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## **SUPPLEMENTAL SCHEDULES AND INFORMATION**

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**NATCHITOCHEs HISTORIC DISTRICT DEVELOPMENT COMMISSION**  
**NATCHITOCHEs, LOUISIANA**  
**SCHEDULE OF PER DIEM PAID TO COMMISSION MEMBERS**  
**JUNE 30, 2012**

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In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, this schedule of per diem paid to Commission members is presented for the year ended June 30, 2012.

The Commission has chosen to serve without compensation or per diem.

Name

Dickens, Sandra  
Gahagan, Sharon  
Graves, Daniel  
Harper, Iris  
Hollier, Patrick  
Hornsby, Courtney  
Horton, Steve  
James, Will  
Lee, Edd  
McCullen, Mayor Wayne  
Murchison, Tyler  
Smith, Leslie  
Southerland, Maxine  
Stamey, David  
Williams, Payne



**NATCHITOCHES HISTORIC DISTRICT DEVELOPMENT COMMISSION  
NATCHITOCHES, LOUISIANA  
SCHEUDLE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2012**

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**Financial Statement Findings**

N/A

**Management Letter**

N/A

**NATCHITOCHES HISTORIC DISTRICT DEVELOPMENT COMMISSION  
NATCHITOCHES, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
YEAR ENDED JUNE 30, 2012**

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**Financial Statement Findings**

N/A

**Management Letter**

N/A